

Durham Research Online

Deposited in DRO:

17 March 2009

Version of attached file:

Published Version

Peer-review status of attached file:

Peer-reviewed

Citation for published item:

Ehteshami, A. (2002) 'The foreign policy of Iran.', in The foreign policies of Middle East states. Boulder, Co.: Lynne Rienner, pp. 283-309.

Further information on publisher's website:

<http://www.rienner.com/viewbook.cfm?BOOKID=1231search=Ehteshami>

Publisher's copyright statement:

Additional information:

Use policy

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that:

- a full bibliographic reference is made to the original source
- a [link](#) is made to the metadata record in DRO
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

Please consult the [full DRO policy](#) for further details.

Durham Research Online

Deposited in DRO:

17 March 2009

Version of attached file:

Published

Peer-review status of attached file:

Peer-reviewed

Citation for published item:

Ehteshami, A. (2002) 'The foreign policy of Iran.', in The foreign policies of Middle East states., Boulder, Co.: Lynne Rienner, pp.283-309.

Further information on publishers website:

<http://www.rienner.com/viewbook.cfm?BOOKID=1231&search=Ehteshami>

Use policy

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that :

- a full bibliographic reference is made to the original source
- a link is made to the metadata record in DRO
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

Please consult the full DRO policy for further details.

The Foreign Policy of Iran

Anoushiravan Ehteshami

At least since the early 1970s, Iran has been regarded as an important regional player; prior to that it had managed to accumulate considerable strategic value as a weighty pawn in the Cold War chessboard that straddled much of Asia and Europe. But it was the 1979 Islamic revolution that made Iran stand out on the international scene; after the overthrow of the shah by a coalition of Islamist, liberal, and radical forces, Iran emerged on the international scene as a defiant, fiercely independent, proactively religious, and nonaligned power. Since then, as James Piscatori has noted, there has rarely been a period that "Iran escaped the attention of the world's foreign offices, press, and academic experts on the Middle East and Islam."¹ Piscatori's observations have continued to hold true; dramatic developments in Iran and notable adjustments to its international relations since the late 1980s have ensured that Iran remains the country to watch and, for other actors in the international system, a growing force to reckon with. Calculations about the Islamic Republic, therefore, have been on the domestic and foreign-policy agendas of most regional actors and key international players, to the point that Iran watching has now been turned into a profitable little cottage industry.

Regionally, no country could afford to ignore the impact of the Iranian revolution and the Islamic Republic on its national security. The Iranian revolution disrupted the regional order and also ended the slowly emerging alliance of moderate forces in the Middle East. But as Halliday demonstrates, the revolution also made Iran a factor in the domestic politics of the superpowers: "for the USA . . . Iran provoked the greatest crises of the Carter and Reagan administrations . . . within the USSR Iran was not only an issue of dispute within the foreign policy

making apparatus but also contributed to exaggerated Soviet leadership perceptions of an Islamic challenge.”²

However, despite its revolutionary zeal and a reputation for non-conformity and defiance since the revolution, it can be argued that revolutionary Iran has always been a “rational actor” in the classic realist mold. Even some of its excesses can be seen as calculated risks or opportunist responses to difficult situations. Looking back at the post-Khomeini era, one cannot help but be struck by how “normal,” largely nonaggressive, and pragmatic Iran’s foreign policy has been since 1989. The roots of this transformation in Iran’s international relations must be found in Iran itself, but it also has much to do with Tehran’s calculations about its standing in a changed regional and international environment since the end of the Cold War. So much so that Iran is now fully engaged in the international system and is playing the more assertive role expected of a regional middle power in the Middle East and North Africa.

Foreign-Policy Determinants

Geopolitics: Between Autonomy and Ambition

The Iranian state, once the plaything of rival foreign forces, was transformed under the Pahlavi dynasty in the twentieth century into a significant regional power, albeit one frequently acting as a surrogate for Western interests. Since the Islamic revolution, Iran’s power assets have been deployed in defense of regional autonomy from the West, even though in economic terms Iran never managed to distance itself from the capitalist world order, nor develop a truly independent economic base.

Geography has played a key part in informing Iran’s foreign policy for centuries. An ancient landmass empire on the Eurasian crossroads, the modern state’s regional ambitions extend to much of western Asia. In Iran’s case, geography has acted as a single force with two countervailing tendencies. On the one hand, it has facilitated the spread of Persian influence in Asia, and on the other it has exposed Iran to great-power rivalries and the diplomatic machinations of out-of-area states. Historically, fears and perceptions of foreign interference have formed the basis of Iranian nationalism.³ Iranian nationalism, furthermore, has for generations been intertwined with the issue of ensuring Iran’s territorial integrity, which in turn has created what Fuller calls “an intensely

Irano-centric" view of the world. As he says, in this land "history itself is in part a product of classical geopolitical factors."⁴ Geopolitics, therefore, has had, and continues to have, a special place in Iran's role conception, and as such must be given a special place in any analysis of Iranian foreign policy. Over time, then, a combination of factors—geography; the need to secure the country's territorial integrity; adverse historical experiences; competition with other empires (such as the Ottoman Empire); meddling in Iran's internal affairs by Western/Eastern powers such as Russia, Britain, and the United States; and the country's resource endowment—have come together to give geopolitics and an acute awareness of the weight of history a special place in determining Iranian foreign policy.

Iran's historical impotence in the face of foreign influence has left a deep and seemingly permanent scar on the Iranian psyche, which has also been guiding elite thinking for many decades. An almost obsessive preoccupation with outside interference in Iran's internal affairs has made Iranians wary of big-power involvement in the area, but at the same time the perception among most Iranians that Iran has been able to overcome outside pressures has allowed for the rise of a condition that I call "the arrogance of nonsubmission." Ayatollah Khomeini's celebrated phrase, "America cannot do anything," which is plastered all over Iranian towns and cities, is a good example of this tendency.⁵ The above "condition" or tendency has given rise to a sense of exaggerated importance of Iran and a rather misplaced belief in the infallibility of the state, which has on more than one occasion led Iranian policymakers to make serious miscalculations not only about their own country's power and abilities, but also about the power as well as the motives of their adversaries.

Iranian perceptions of their environment and historical fears of outside interference were partly responsible for the evolution of the "negative balance" doctrine that at times formed the basis of Iran's pre- and postrevolution foreign policy.⁶ The same views have also informed the fierce struggle in Iranians for both political and economic independence (*esteqlal*) from foreign powers. Thus, one of the main battle cries of the revolution was "Esteqlal, Azadi: Jomhuri Eslami" ("Independence, Freedom: Islamic Republic"), purposefully placing independence as the precondition for the long-cherished goal of freedom. Thus, the attainment of full sovereignty and control over Iran's destiny has for many decades been both a popular and elite sentiment.

Another, equally significant, revolutionary slogan was "Khod kafa-ye" ("Self-Sufficiency"), referring to the country's deep desire to reduce

its economic dependence on Western powers and outside economic forces. Both left and right have argued for many years that it is economic independence that will deliver political independence and not vice versa. Thus, successive governments in Iran pursued an import-substitution strategy with vigor; by the mid-1970s, and despite the presence of a powerful private sector, the state was already the biggest economic actor in the country. For both practical and ideological reasons, state control and ownership of the economy reached new heights after the revolution.⁷

For the Iranian elite, pre- and postrevolution, economic power and independence of action in economic terms have been seen as the precursors to political independence and regional influence. Despite this desire, for the first half of the twentieth century Iran was in substantial receipt of foreign economic and military aid, largely from the United States. The situation was to change in the second half of the 1960s, when Iran began to accumulate capital from oil rent at an accelerated pace and developed an awareness of its own economic potential, a learning process that was to reach its zenith in the 1970s, thanks to the rapid increase in the price of oil. The shah's ambition to modernize Iran by the end of the twentieth century reflects the importance of a sound economic base as a precondition for the rise of Iran. Apparently, oil wealth was to magically transform Iran into a great regional military and global economic power. The emphasis during this period was on the rapid expansion of the domestic economy and the broadening of the country's industrial and manufacturing base through an intensive import-substitution industrialization strategy. Foreign capital and expertise were viewed as the necessary evils for the realization of this mission. In many analysts' eyes, on the other hand, the shah had reduced Iran to a semiperiphery country with a comprador bourgeoisie that was deeply dependent on the metropolis.⁸

Identity and Role: Iran as an Islamic Actor

The drive toward regional supremacy has long been a feature of Iranian foreign policy. Derived from Iran's long history and its geography, Iran sees itself as uniquely qualified to determine, at the very least, the destiny of the Gulf subregion. Furthermore, it sees itself as one of only a handful of "natural" states in the Middle East, which by virtue of being an old and territorially established civilization (based around the notion of "Iran-zamin") can and should have influence beyond its borders. Mohammad Reza Shah's long reign is full of evidence of this tendency

in Iranian elite thinking after 1953, particularly so in the 1970s.⁹ Throughout the latter decade Iran tried to become the Gulf region's premier military power and aimed to become the main pillar of the Western security system in the Middle East—to resume, as the shah himself put it, Iran's "historic responsibilities."¹⁰

Since 1979, where geopolitics has mattered, Iran has added a religious dimension to its power-projection ability. Over time this new factor has formed a new layer over the deeply felt territorial nationalism of the state. Since the revolution, then, Islamic issues have emerged to affect Iran's regional profile and its policies toward many of its neighbors. Iran's postrevolution posture has also been affected by what could be called the geopolitics of Islam. In the first instance, Tehran's messianic Shi'ism of the early 1980s posed a direct challenge to the regional status quo and the political integrity of Iran's Arab neighbors. In making explicit its demand to speak in the name of Islam, Tehran's revolutionary leadership caused noticeable tensions in the country's relations with Saudi Arabia and other influential Islamic actors in the Muslim world as it tried to "export the revolution." The Iranian leadership's call for Islamic uprisings may have found sympathetic ears in many Arab and Muslim societies in the 1980s, but this call also reinforced Arab elite suspicions of Iranian intentions and encouraged their attempt to contain Iranian influence. The "blockage" really only began clearing toward the end of the 1980s, thanks to several developments: the end of the Iran-Iraq war, the rise of a more pragmatic leadership in Iran, the growing importance of oil politics, the Kuwait crisis, and Iran's post-Cold War bridge-building regional strategy.

At the same time, Iran's stand vis-à-vis the Soviet occupation of Afghanistan and Moscow's treatment of its own Muslim population added a new religious dimension to the Cold War-based Iranian-Soviet relations. Additionally, implicit and explicit support for the growing number of Islamist movements in Afghanistan and elsewhere in the Middle East became a fixture of Iranian foreign policy in its interstate and substate interactions.

In the 1990s and beyond, despite its more integrationist and non-ideological foreign policy, nonetheless Tehran has tried to keep pace with the politicized Islamic groups in the Arab world and has been active in showing support for the following movements: the Hizbollah in Lebanon, the Front Islamique du Salut (FIS) in Algeria, the Turabi regime in Sudan, Hamas and Islamic Jihad in Palestine, the Muslim Brotherhood in Jordan, the al-Nahda Party in Tunisia, and the Jihad group in Egypt. Further afield, Tehran has been quite content to allow

itself to be portrayed as a supporter of Islamist movements of all denominations. The support given to the Islamic Moro National Liberation Front movement in the Philippines in the 1980s and to the Bosnian Muslims in the 1990s are good examples of this Iranian strategy. One can deduce from Tehran's behavior that the country's overt use of Islam, or at least Islamic symbols, remains a feature of its role conception. Islam's place in its formulation of policy and strategic aims has caused serious rifts in—and continues to complicate—Tehran's relations with a number of the Sunni-dominated, largely secular-led, Arab states around it.

The Economic Factor

The primacy of hydrocarbons. Oil had always been an important factor in the making of modern Iran, but the mad rush of the 1970s to modernize Iranian society and industrialize the economy increased the country's dependence on its hydrocarbon resources. Over a very short period of time the economics and politics of oil began to influence the foreign-policy and national-security strategy of the country. At the same time, this heavy reliance on oil wealth as the main pillar of Iran's grand strategy increased the country's vulnerability to outside forces and international economic pressures. Oil wealth, in short, had become both the salvation and the curse for the country's modernizing elites; as the shah himself was to acknowledge, it was in the end its Achilles' heel.¹¹

The Islamic Republic inherited the peculiarities of Iran's oil-based socioeconomic system and its oil-related place in the international economic division of labor. While in the first few years after the revolution the new elite did try to tinker with the economy and Iran's trading system, the war with Iraq effectively put a stop to any opportunities to redirect the economy away from its heavy reliance on oil wealth and thus ended any prospects of Iran changing its relationship with the international capitalist system. Iran's inability to leave the system or change Iran's position within it meant that eventually the theocracy too would have to behave according to the rules set by the Pahlavi regime—and more to the point, to those regulating the international capitalist system. Iran's place in the international division of labor as a supplier of hydrocarbons did not change, but what did change was Iran's place in the system as an emerging newly industrializing country (NIC). The revolution and Iran's postrevolution international posture effectively ended this Iranian ambition; the end of its Western alliances froze the national capital–foreign capital ties that had been emerging since the late 1960s

and starved Iran of the essential inputs for the diversification of the economy and the expansion of its industrial base. In historic terms, Iran was off the boat that it and South Korea had caught from the mid-1960s.

In net terms, the negative effect of these developments was twofold. On the one hand, the interdependencies that were created by developments in the oil industry in the 1970s between Iran's rentier economy and international capitalism remained intact. On the other hand, the overthrow of the shah and the Islamic Republic's new priorities effectively checked any national drive to turn the country into a regional capitalist center, into a successful NIC. Iran was, to paraphrase Rafi-poor, to leave that capital-driven, materialist rat race—for a little while at least.¹²

Export or die. Under Ayatollah Khomeini's influence, Iran had acquired a large degree of freedom in its foreign policymaking and in exerting its influence in the region. The freedom to act "independently" of outside powers, of course, had been one of the main aims of the revolution, but in regard to policymaking this newly cherished freedom was reinforced by the clerics' domination of the long-autonomous Iranian state, founded as it had been on its monopoly of income from the country's hydrocarbon resources. Not surprisingly, oil and the drive to secure maximum return for its sale soon became the political-economy prism through which the Islamists viewed the world as well. Eventually, they too had learned that low oil prices meant economic weakness in an oil-dependent country like Iran. They therefore had to find ways of boosting oil income, which they started doing as early as 1988 through cooperation with other regional oil producers, to many of whom Tehran had been extremely offensive during its war with Iraq.

But the Islamist leadership also learned, just as the shah had, that oil income in itself is not a panacea for Iran's economic and social ills. As many of its leaders were to acknowledge, there were to be no quick-fix solutions to the Islamic Republic's problems.¹³ The leadership, therefore, even before Ayatollah Khomeini's demise, had come to accept the need for economic and administrative reform.

After the end of the Iran-Iraq war, significant sections of the revolutionary elite begun arguing that Iran's economic problems, caused by the difficulties and policy mistakes of the 1980s, necessitated an overhaul of the economy. This line was championed by Iran's first executive president, Hojjatoleslam Rafsanjani. The crisis was indeed serious and multifaceted: negative growth, high unemployment, low productivity and underutilization of capacity, shortages of investment capital, high

import dependency, managerial weaknesses, substantial loss-making enterprises under state control, a ballooning public sector, and lack of confidence in government policy.¹⁴ In the absence of foreign investment and other immediately available and accessible resources, Iran's many economic difficulties merely reinforced the country's dependence on oil and the need to generate investment capital, technology, and industrial expertise from the West.

Growing general understanding at home of Iran's vulnerabilities strengthened the hand of President Rafsanjani and his allies in dealing with the hard-liners, and enabled the president to continue with the conciliatory foreign-policy line that he had championed. The bottom line for him was that outside assistance was essential for the reconstruction of the country. The remedies of the new Rafsanjani administration resembled an International Monetary Fund-type economic reform strategy that preached liberalization and deregulation as the necessary tools for the restructuring of the economy.¹⁵

Focusing more closely on the political economy of foreign policy, the major impact on Iranian foreign policy of its economic predicament in many ways resembled developments in Algeria, where, as Korany has demonstrated, the increasing role of oil in the economy caused an "economisation of foreign policy."¹⁶ In Iran's case, by the late 1980s, the same priorities that had preoccupied the shah's last decade had reemerged to dominate the economic and political agenda of Iran's post-Khomeini leadership. The talk again was of attracting direct foreign investment, establishment of foreign-trade zones, and deeper economic relations with the West. Some at home feared that Iran was in danger of returning to the bosom of the West, despite its long struggle to free itself of direct outside interference in its domestic affairs and the fact that its revolutionary leadership had managed to behave much more independently of outside powers and pressures than at any time in Iran's modern history.

The lasting impression of post-1945 Iranian foreign policy must be that oil has enhanced the country's capabilities and its potential to influence developments around it. Furthermore, global dependence on this commodity gave the Pahlavi political elite opportunities to forge close alliances with outside powers and enabled it to build a substantial military capability in the 1970s and pursue with impunity ambitious political objectives in the Middle East and beyond. But the same commodity also imposed many restrictions on the freedom of the state and made it more dependent on oil rent and on outside forces and much more vulnerable to systemic changes. The more it relied on hydrocarbons to

free itself from poverty and lack of control over the country's destiny and its desperate inability to influence developments in the regional and international systems, the more it became vulnerable to pressures outside of its control, and ultimately the more economic considerations began to dominate its foreign policy. So while Iran has been able to mobilize domestic resources in the service of its foreign policy, the heavy reliance on hydrocarbons has influenced developments and the evolution of Iranian domestic and foreign arenas in ways not altogether expected by the elite.

With the above in mind, it was not too surprising that the political upshot of the oil price-induced economic crisis of the 1990s has been the reiteration of the need to behave nonideologically and seek cooperation with Iran's neighbors (particularly the oil exporters of the Persian Gulf) and trading partners (mainly the European Union and Japan). The latter, resisting the Clinton administration's "dual containment" strategy, chose to reschedule some of Iran's debt and used Iran's economic weakness to acquire more political leverage—albeit for business considerations—with Tehran. As a consequence, Iran today maintains good relations with the components of the "Western camp"; it has close economic and growing political links with the European Union, it has developed extensive links with Egypt, and has been busy developing a very close politico-economic "partnership" with Saudi Arabia.

Foreign Policymaking

Leadership and Factionalism

For much of the 1980s, with the Iran-Iraq war as its strategic backdrop, foreign-policy issues were addressed by Ayatollah Khomeini himself, and at key junctures it was his office that made and implemented policy. But various factions and centers of power within the clerical establishment took advantage of many opportunities to advance their own interests and to implement their own foreign agendas. This was particularly visible in relation to the Arab world. The radicals were in constant search of the vehicles for exporting the Islamic revolution and concluding alliances with Islamist movements in the region. To this end, in the early 1980s the radical groups cultivated such movements in Iraq, Kuwait, Bahrain, Saudi Arabia, Afghanistan, and, of course, Lebanon, among other places. In the first decade of the republic, the struggle

between the so-called moderates or pragmatists and the radicals was a determinant element of the policy process.

Factionalism and institutional competition was, from the beginning, an important feature of the postrevolution Iranian political system. The factions themselves are rather fluid, and as they are normally comprised of a variety of tendencies and blocs built around powerful personalities, they tend to act as "fronts" and as such do not always function as a single entity.¹⁷ So, in the 1980s, the presence of such personalities as Ayatollah Hossein Ali Montazeri and Hojjatoleslams Mehdi Karrubi, Sadeq Khalkhali, Mohammad Khomeini, and Ali Akbar Mohtashemi ensured that the radical agenda would dominate, the "Iran-gate" deals with Israel and the United States notwithstanding. Between 1990 and 1997, of course, the position of individuals such as Mohtashemi had been gradually weakening, most decisively with the accession of the pragmatist Hojjatoleslam Hashemi Rafsanjani to the presidency; Karrubi and Khomeini later resurfaced as loyal allies of Khatami and supporters of his reforms.

With the emergence, between 1989 and 1997, of a triple alliance between Ayatollahs Khamenei and Mohammad Yazdi (the head of the judiciary at the time), and President Rafsanjani, the radical/populist factions suffered a decline in their political fortunes, although several influential individuals, such as Ayatollah Ahmad Jannati, continued to object to many of President Rafsanjani's reformist initiatives and fan the coals of populism.

The first three personalities were instrumental in formulation of the republic's new priorities in the 1990s. The *faqih*, Ayatollah Khamenei, proved to be a close ally of Rafsanjani and largely a supporter of many of his administration's policies. Ayatollah Khamenei is an opponent of the radical factions in the Islamic Republic but is himself a "conservative" in Iranian political terms, favoring a reasonable distance between Iran and the West and opposing any Westernization of Iranian society.¹⁸ To prevent "corruption" of Muslim Iran, he frequently speaks against foreign investment in Iran and against measures that might facilitate a cultural invasion of the country by the U.S.-led Western powers. Such perceptions have had an impact on Tehran's foreign policy, but not enough to dislodge or derail the pragmatic foreign-policy orientation Rafsanjani espoused.

Executive Institutional Consolidation

Since August 1989 and the constitutional reforms of that year, a "presidential center" has been created at the heart of the executive power

structure of the republic.¹⁹ The constitutional reforms also brought into being a National Security Council (NSC), controlled by the president and his staff. This body has become the nerve center of policymaking in Iran and the key body where foreign policy is debated. The president, thus, has since 1989 taken the main responsibility for foreign policy-making and has been allowed to use his new powers to formulate and direct Iran's international relations. Under the reformed constitution, the foreign minister reports directly to the president, who heads the council of ministers. Thus, implementation of foreign-policy initiatives through the foreign ministry is also monitored through the president's office. However, although the presidential office has emerged as the main foreign-policy-making organ of the state, the president's foreign-policy decisions are not made in isolation from other power centers.

The *faqih* is the individual whose support is crucial in implementation of foreign-policy decisions. The *faqih*'s position and support is normally arrived at in the formulation stage of policies: through his personal representative on the NSC, he follows and conveys his views to this decisionmaking body. When controversial decisions have to be made, therefore, the fact that the *faqih* has been involved, albeit indirectly, in the policy formulation means that he can and does make public statements in endorsement of decisions, thus providing justification for the president's foreign-policy initiatives and diffusing direct criticism of his administration. Despite differences between Khamenei and Rafsanjani (largely over personalities in official positions and appointing of their own allies to key government posts) and a certain degree of institutional competition between their offices, the president and the *faqih* managed to work closely enough to ensure the isolation of their opponents in regional, national, and institutional power centers.

The foreign ministry's role in the policy process, including that of the foreign minister, must not be ignored, however. The former Iranian foreign minister, Ali Akbar Velayati, was one of the world's longest-serving foreign ministers and the Iranian cabinet's longest-serving member, having been a member of the government since December 1981. His presence assured continuity in the policy-implementation process. Over the years he was able to place pragmatists in key ministry positions, and by keeping close ties with both President Rafsanjani and Ayatollah Khamenei he managed to reserve himself a place at the power table. His power in the ministry, however, was not unlimited, nor did it remain unchecked. Interestingly, he was one of the key ministers to lose his job in Khatami's cabinet. Since 1997 he has been acting as the *faqih*'s adviser on foreign affairs, at times trying to influence the decisions of President Khatami's foreign minister, Dr. Kamal Kharazi.

Kharazi too is a seasoned politician and core elite member, having been around since the very beginning of the establishment of the Islamic Republic. He was one of the founding members of the Supreme Defense Council set up in 1980. He is well known for his moderate line and has been pushing for better relations between Iran and its Arab and non-Arab neighbors.

The consolidation of the presidency and NSC has not, however, ended intra-elite power politics in the system. Indeed, given the absence or weakness of a political-party system, both informal and policy-based consultative circles or coalitions have formed to fill the vacuum at various levels of decisionmaking. These have included the Militant Clerics Society (once "radical," now in the proreform camp); the "conservative" Combatant Clergy Association; the "pragmatic" Servants of Construction; and the Mojahedin-e Islam, once radical but later in the reformist camp. In one sense, these perform some of the functions of parties, namely, aggregating factions into broader alternative policy "platforms," hence limiting the corrosive impact of factional rivalries on the system. On the other hand, the traditional factions have capitalized on such circles to influence policy and the circles have tended to sharpen the broader ideological divisions in the republic.

Before 1997, the deliberate process of marginalization of the leftist-radical forces had resulted in the decline of their influence over foreign policy. The presidency, during and since the Rafsanjani period, is the key foreign policymaker, and both post-Khomeini presidents have favored Iran's integration into the international system and improved relations with the outside world. But the triumph of the moderates neither eliminated the radicals altogether nor indeed ended factionalist tendencies in the republic. In fact, no sooner had the radicals been marginalized than another caucus emerged to block the pragmatists. This time, the opposing faction, dubbed the "conservatives," gave almost unreserved support to Rafsanjani's economic reform policies, but adopted a strong line against the state's liberalization of social policy. On foreign policy, the conservatives objected to the administration's efforts to rebuild bridges with the West and remained suspicious of moves that would undermine the influence of the clergy and of Islam in society, but they were not prepared to support the call of the radical forces for a return to the policies of the 1980s. For much of the 1990s, the conservatives were the most powerful political force in the country, dominating the Majlis and the bureaucracy. They have remained the main institutional opponents of Khatami's brand of politics, and have actively objected to many of his domestic policies. On foreign policy, too, they are

active, opposing his gestures toward the United States and the West in general, but also with regard to Iran's rapid rapprochement with its neighbors.

The Role of Legislature, Press, and Public Opinion

While the legislature is constitutionally barred from interfering in the executive's foreign-policymaking process, the Majlis does discuss foreign-policy issues. Indeed, the institutional ties between the Majlis and the executive have been so intimate that Hojjatoleslam Hassan Rouhani, a long-standing deputy Majlis speaker, has served as the secretary of the NSC and as Ayatollah Khamenei's representative on the body. Furthermore, Majlis deputies try to influence the direction of foreign policy through the power of the Majlis' own committees and frequent contacts with foreign dignitaries. The Majlis can play an active part in foreign-policy thinking and the floor of the Majlis and its Foreign Affairs Committee are avenues for the deputies' pronouncements on foreign-policy matters. Majlis deputies have the power to seek clarification from ministers and detailed written responses relating to domestic and foreign policies of the executive body, and through these mechanisms the deputies can influence foreign-policy decisions. The Majlis can monitor foreign-policy developments through other avenues as well since the government is required to obtain the Majlis' approval for entering into any "international treaties, memorandums of understanding, contracts and agreements" with other states and parties. This constitutional clause gives the Majlis the authority to critique the administration's overseas initiatives.

The tribune of the Majlis offers the deputies a unique opportunity to challenge presidential initiatives and policies by influencing public opinion, itself an important factor in the foreign-policymaking process, through their speeches, interviews, and writings in the national press. Although it may not always pay off, influencing public opinion is the traditional method of putting pressure on the executive to revise or continue to pursue a particular policy, and partly explains the remarkably open nature of political debate in Iran.

The place of the Council of Guardians in foreign policymaking is not as direct as that of the Majlis. The Council of Guardians' formal role in this context is to ensure that the administration's foreign-policy initiatives do not contravene the constitution. Where the Council of Guardians does make judgments, these are mainly of technical nature and largely deal with the republic's bilateral agreements with other countries.

Another important factor influencing Iranian foreign policy today is public opinion, which is shaped by open debate in the press and disseminated by a relatively free and large media machinery. Numerous newspapers and periodicals discuss and get involved in their discussions virtually all the core opinionmakers from within the political establishment, as well as increasingly influential individuals from the world of academia and slowly emerging semi-independent think tanks. To put the importance of the printed media in perspective, as Table 13.1 indicates, there were in 2000 some sixteen daily newspapers in circulation and another six important weeklies, a couple of biweeklies, and three important political monthlies engaged in debate with each other, the public, and the political establishment.

Table 13.1 Key Regular Iranian Publications and Their Political Affiliations

Name	Affiliation	Frequency
<i>Aftab-e Emrouz</i>	Reformist, pro-Khatami	Daily
<i>Akhbar-e Eqtesad</i>	Reformist, pro-Khatami	Daily
<i>Kayhan</i>	Extreme Right	Daily
<i>Resalat</i>	Traditional Right	Daily
<i>Salaam</i>	Old Left, pro-Khatami	Daily
<i>Sobh-e Emruz</i>	Modern Left, pro-Khatami	Daily ^a
<i>Khordad</i>	Technocrat, pro-Khatami	Daily ^a
<i>Neshat</i>	Nationalist-religious, pro-Khatami	Daily
<i>Hamshahri</i>	Technocrat, pro-Khatami	Daily
<i>Iran</i>	Technocrat, pro-Khatami	Daily
<i>Ettela'at</i>	Pro-Khatami	Daily
<i>Abrar</i>	Traditional Right	Daily
<i>Zan</i>	Technocrat, pro-Khatami	Daily
<i>Kar-o Kargar</i>	Pro-Khatami, Left-leaning	Daily
<i>Jebhe</i>	Extreme Right	Daily
<i>Jomhuri Eslami</i>	Religious fundamentalist	Daily
<i>Javan</i>	Pro-Right faction	Daily
<i>Entekhab</i>	Pro-Right faction	Daily
<i>Jahan-e Islam</i>	Old Left	Daily
<i>Afarinesh</i>	Traditional Right	Daily
<i>Arzeshha</i>	Pro-Left	Weekly
<i>Jaam</i>	Traditional Right	Weekly
<i>Payam-e Hajar</i>	Nationalist-religious	Weekly
<i>Mosharekat</i>	Pro-Khatami	Weekly
<i>Tavana</i>	Pro-Khatami	Weekly
<i>Asr-e Ma</i>	Modern Left	Biweekly
<i>Iran-e Farda</i>	Pro-Reform, Old National Front	Monthly
<i>Ya Lesarat al Hussein</i>	Extreme Right	Monthly
<i>Paym-e Emruz</i>	Nationalist-democratic	Monthly

Source: *Tavana*, no. 34, 3 May 1999, and other national sources.

Note: a. Closed down in 1999.

Foreign-Policy Behavior

Regional Policy

Broadly speaking, five phases can be observed in the regional policy of Iran since the revolution. Each phase is indicative of and a product of the changing priorities of the regime at home, reactions to internal developments, and, to a lesser degree, of the balance of forces within the Iranian political elite.

The first phase is identified as the *consolidation* stage. This phase was accompanied by the gradual entrenchment of the clerics in power and a rejection of the status quo in the Middle East. During this period (1979–1981), the power struggle between the “liberals” (such as Bazar-gan and Bani Sadr) and the more radical clerical forces (Maktabis) was in full swing, and the reference to “consolidation” is intended to highlight: (1) the emergence of a post-Pahlavi foreign-policy outlook, and (2) the domination of the Maktabis in the government machinery by the end of this period. In these early years of the republic, the differences among the clerical forces had not crystallized into competing factions and thus they tended to adopt a more or less common position on the power struggle with the more liberal and secularist nonclerical forces.

The essence of the consolidation phase thus was to develop an alternative, Islamic, foreign policy for Iran and for it to seek to effectively change the regional balance of power in favor of the Islamist and radical forces. An important aspect of this strategy was the rejection of Western and Communist-bloc alliances in the Middle East.²⁰ Efforts to “export the revolution” and the U.S. hostage crisis of the early 1980s were indicative of this trend.

The second, *rejectionist* phase (1981–1988) was largely coterminous with the Iran-Iraq war, during which Iran was isolated, locked in mortal combat with Saddamist Iraq, and at odds with many of its neighbors and former friends. Iran's isolation was partly due to the pro-Iraq line of the moderate Arab forces, who had during this period been totally alienated by Tehran, and partly a result of the hard line Tehran was taking in international forums. Regionally, by 1987 Iran was at odds with Iraq, Kuwait, Saudi Arabia, Sudan, Egypt, Israel, Jordan, Morocco, Tunisia, North Yemen, and Afghanistan. It could only count Syria as its ally and South Yemen and Libya as friendly countries. Although it maintained normal relations with three other countries (Algeria, Pakistan, and Turkey), two of them non-Arab, neither of these countries had developed strategic ties with the Islamic Republic.

A review of Iran's regional policy in the 1980s reveals a multidimensional effort aimed at overcoming its isolation in the Middle East and penetrating areas hitherto closed to Tehran. In the Persian Gulf sub-region, Tehran was following a three-pronged strategy to (1) defeat Iraq militarily, (2) drive a wedge between Baghdad and the Gulf Arab states, and (3) cultivate a constituency for itself among the Gulf Arab peoples (particularly the Shi'a population) at the same time as subverting the most vulnerable regimes among the traditional monarchies.

With its non-Arab neighbors, particularly Pakistan and Turkey, Tehran sought to maintain cordial relations, never really Islamizing the basis of its relations with these states. The post-1979 situation in Afghanistan, however, provided Iran's new rulers not only with an opportunity to reassert their traditional authority among the Afghans, but also enabled Tehran to ride the Islamist revival in that country and carve for itself a new basis of activity in Soviet-occupied (and post-Soviet) Afghanistan.

In the Levant, Tehran was seeking to deepen its newly found alliance with Syria while also capitalizing on the politicization of the Shi'i community in Lebanon, in addition to attempting to form a broad constituency among this confession in that country. The creation of Hizbollah and Tehran's ability to deploy armed revolutionaries among the Shi'i strongholds were the main achievements of Iran's Lebanon policy. The importance of Lebanon to Tehran was also to be found in geopolitical factors, as Lebanon offered it the opportunity to jump over Iraq and reach a wider constituency within the Arab world.²¹

The second aspect of Tehran's Levant strategy focused on the Arab-Israeli conflict. At one level, Tehran was anxious to bury the legacy of the Israeli-Iranian alliance of the Pahlavi era, and thus was very keen to draw itself closer to the Palestinians. This it attempted to do, first by Islamicizing the Arab struggle against Israel, and second, in the absence of any viable Islamic Palestinian factions in first half of the 1980s, through developing contacts with the radical and rejectionist factions, particularly with those endorsed by Syria.

By the late 1980s, military and political developments in the region had forced a reassessment of the rejectionist/militant strategy of the republic. Even though a real pragmatist strand had been in evidence in Iran since 1984–1985, the turning point seems to have come with the U.S.-Iranian naval engagements of 1987, the UN's passing of Security Council Resolution (SCR) 598, and Iran's battlefield defeats of early 1988. The appointment of (Majlis) Speaker Rafsanjani as the commander-in-chief of the armed forces illustrated the ascendance of the

pragmatists in power and Iran's unconditional acceptance of SCR 598 owes much to his appointment and his wish to end the war before a complete collapse of the Iranian war effort. For want of a better phrase, I have termed this third stage in Iran's foreign relations the *reorientation* phase, one of transition from radicalism to accommodation. This period started in earnest in June 1988 and lasted until August 1990, by which time we see the end of the transition to pragmatism and the establishment of the *pragmatist* line in Iran's foreign policy, the fourth phase. The ascendance of the pragmatist line can be detected in Iran's decision to end the eight-year war with Iraq, which also marked the point from which the "Thermidor" of the Iranian revolution could be said to have commenced.²²

The most important development of the *reorientation* phase was Iran's unconditional acceptance of UN Security Council Resolution 598, almost a year after its unanimous passing by the Security Council. At the time, Iranian leaders insisted that peace was now in the best interest of the republic and that in accepting SCR 598 and suing for peace, Iran was countering the direct intervention of the "satanic" powers (i.e., the United States) in the Gulf region, which Iran could no longer either ignore or confront militarily. This is the first policy watershed of the republic that needs to be noted. It is important for three main reasons. First, it indicates the reversal of a major foreign-policy objective: defeat of Saddam Hussein of Iraq and his overthrow. Second, Iran's acceptance of SCR 598 opened the door to normalization of relations with its other Gulf Arab neighbors, so that by the end of 1988 Tehran had managed to reestablish cordial relations with all of the Gulf states, barring Iraq and Saudi Arabia. Third, in accepting SCR 598, Iran also indicated its interest in developing a viable security structure for the subregion in cooperation with all of its Arab neighbors.²³

Apart from these strictly regional dimensions of the cease-fire, the cessation of hostilities between Iran and Iraq (one of the Soviet Union's Arab allies and its main military customer) removed the obstacles to closer contacts between Tehran and Moscow, a process that was helped in no small way by the Soviet withdrawal from Afghanistan. During 1989, a flurry of diplomatic contacts between the two neighbors culminated in Soviet foreign minister Shevardnadze's trip to Tehran and Speaker Rafsanjani's high-level visit to Moscow in June. The latter trip resulted in the signing of a multibillion-dollar trade and military cooperation agreement between Iran and the USSR. Relations developed then paved the way for close military, political, and economic ties between Russia and Iran since the collapse of the Soviet Union.

The cease-fire also enabled Iran to reaffirm its ties with its non-Arab neighbors, Pakistan and Turkey. Better relations with these countries, bilaterally and in the context of the Tehran-based Economic Cooperation Organization (ECO), of which all three were founding members, became a new imperative for Iran. ECO and Iran's relations with Pakistan and Turkey were particularly important to Tehran in the post-cease-fire Gulf environment, if for no other reason than the fact that by 1989 Iran had found itself surrounded by Arab alliances; Iraq had formed the four-member Arab Cooperation Council in 1989 and the Gulf Cooperation Council (GCC) had managed to consolidate itself as a key Gulf-based organization.²⁴

Although close contacts between Tehran and its Arab friends were maintained after 1988, the rapprochement in Syrian-Egyptian relations in 1990, and the success of the Saudi-Syrian-sponsored Taif agreement for Lebanon, raised the prospects of a reemergence of the same tripartite alliance between Egypt, Saudi Arabia, and Syria that had existed in the mid-1970s. The danger from Tehran's perspective was that the presence of such an Arab alliance could only lead to the marginalization of Iran's regional role. While in the 1970s the shah's regime had been relatively successful in containing the influence of this alliance in the Persian Gulf subregion, in the absence of the same resources at its disposal, Iran's post-Khomeini leadership clearly could not do likewise. It had no diplomatic relations with Saudi Arabia or Egypt, and seemed to have few, if any, incentives to offer Syria to resist the lure of Saudi oil and petrodollars and Egyptian diplomatic clout. Furthermore, Tehran feared that the Saudi-hosted Taif process could reduce substantially Iran's influence in Lebanon, a country in which it had invested a great deal of energy and had viewed as the vehicle in which it could secure a politico-military foothold in the front line of Arab affairs. However, Rafsanjani, prioritizing relations with Syria, cooperated in the stabilization of Lebanon under Syrian hegemony in return for the pivotal role accorded its Hizbollah client in Lebanese politics and in the resistance to Israel in South Lebanon.

The fourth phase of Iran's regional policy, *pragmatism*, would emerge as a response to the Iraqi invasion of Kuwait and its aftermath.

The Kuwait Crisis: Iranian Pragmatism in Operation

For Iran, the Iraqi invasion of Kuwait in August 1990 was a mixed blessing, even though in Tehran's eyes the Baghdad regime's behavior seemed to have vindicated its policies toward Iraq in the 1980s, which many GCC countries came to acknowledge after the invasion. The immediate impact

of the invasion on Iran was twofold: on the one hand it raised Iran's profile and highlighted its significance as a regional player (the crisis helped in opening all of the frozen channels of communications with Iran's Arab neighbors); but on the other, the crisis raised regional tensions and provided the catalyst for the return of Western powers to the Gulf subregion, thus weakening Tehran's ability to influence the policies of the GCC and to forge ties with the Gulf sheikhdoms aiming at collective security in the Persian Gulf.

Iran's position during this crisis was in sharp contrast to its interventionist and adventurist policies of the postrevolution period. Tehran's neutralist and nonaligned stance and support for the UN position throughout, coupled by its condemnation of the invasion, brought the republic substantial kudos. In 1990, Iran thus stood on the side of the West and restoration of Kuwait's sovereignty, and, by extension, the right of the Al-Sabah family to continue to rule the sheikhdom—indicating a complete change of heart toward the Kuwaiti regime.

While Iran did not actively encourage the war against Iraq, it did expect the war to weaken significantly its most stubborn regional competitor. President Rafsanjani was clear on Iran's position, despite grave reservations by the more radical forces: "The Iraqis must definitely pull out. . . . Here, we have no objection to [the 'foreign forces'] obstructing aggression; anybody may help in any way."²⁵ Neutrality in this conflict gave Tehran a large measure of flexibility in its foreign relations. It gave it scope to deal with Iraq as well as the antiwar Arab forces, while its insistence on the reversal of the aggression and an unconditional Iraqi pullout brought it closer to the anti-Iraq Gulf monarchies. Its restraint and neutrality also obtained for Iran renewed diplomatic relations with Jordan, Tunisia, and Saudi Arabia, and some constructive contacts with Egypt and Morocco.

Most importantly of all, as a consequence of the crisis, Iran was to win the victory over Iraq that had eluded it on the battlefield. Iraq capitulated to Iran fully and accepted the full implementation of SCR 598 and the 1975 Algiers Treaty concerning their border dispute. By December 1990 the UN had also recognized Iraq as the "aggressor" party in the Iran-Iraq war and had cleared the way for Iranian war reparations claims from Iraq of billions of dollars.

Despite Iran's efforts to limit Western military presence in the Gulf subregion, in the aftermath of the war a series of bilateral defense pacts between the main Western players and a number of GCC states paved the way for a permanent Western military presence in the Persian Gulf—something Iran had thought its acceptance of SCR 598 would have avoided. Moreover, the creation in March 1991 of the "6+2" Gulf

security pact between the GCC and Egypt and Syria worried Tehran that its backyard was being developed as an exclusively Arab area.

The end of the Gulf war renewed pressures to address the Middle East's most serious problem, the Arab-Israeli conflict. For Iranian diplomacy, the Madrid process was a minefield not only because it threatened to subsume Syria in a Western-oriented peace agreement with Israel, but also because it was Iran that was being left out of the unfolding post-1990 regional order. Iran was especially concerned that the emergence of new agendas between Israel and the Arab states and the Palestinians left no room for Iranian involvement except in opposition to the whole process.²⁶ This role Iran readily adopted on the grounds that the Madrid process was U.S.-inspired (i.e., that Washington had a hidden agenda) and that it was designed to rob the Palestinians of their rights in favor of Israel's regional ambitions and aspirations. Also, Tehran's overtly Islamic profile did necessitate its formal opposition to the peace process on religious grounds.

Also problematic for Iran was the way in which the peace process was sucking in Iran's Gulf Arab neighbors, and thus adding to Tehran's sense of isolation and loss of influence in the Persian Gulf subregion. This sense of diminishing influence was heightened after 1993, with many GCC states opening direct channels of communication and trade talks with Israel and their willingness to bring the process (through multilateral and bilateral meetings) to the Gulf itself.²⁷ Nonetheless, Tehran's declared strategy toward the peace process was one of non-intervention; Iranian leaders stated more than once that there is no gain in Iran trying to be "more Palestinian than the Palestinians." It would not endorse the process, but nor would it stand in its way.

The fifth phase in the Islamic Republic of Iran's foreign policy emerged with the rise of the "Second Khordad" movement,²⁸ which marked the 1997 presidential election victory of Hojjatoleslam Khatami. Khatami's foreign policy reinforced the nonideological aspects of Rafsanjani's foreign policy, but it also went further, preaching compromise, rule of law, and moderation.²⁹ This fifth phase in Iran's foreign policy can suitably be termed the drive for *moderation*. It is symbolized by Khatami's overtly moderate and nonconfrontational approach to foreign policy, the president's declared aim of establishing a "dialogue of civilizations," and attempts at reaching an understanding with the West (including the United States). In foreign-policy terms, the Khatami administration has tried very hard to put to rest the ghosts of the revolution. Thanks to the president's efforts, Iran managed to make several new friends in a very short period of time after his election, and has

rediscovered many old acquaintances as well. Khatami and his policies continue to capture international headlines and keep the West deeply interested in developments in the country. During his first term in office he made scores of overseas trips and visited no less than seven countries, more than any other Iranian leader since the revolution. In the first half of his presidency, his travels took him to such nontraditional Iranian destinations as Italy, France, and Saudi Arabia.³⁰ He also visited the Far East and Central Asia and received high officials from such pro-Western Arab states as Jordan, Morocco, Tunisia, and Egypt.

Iran in the Post-Cold War World Order

The end of the Cold War has brought to the fore the importance of the "threeGs" in Iran's foreign relations: geopolitics, geostrategic instabilities, and globalization. With over a decade of the post-Cold War order behind us at the time of this writing, Iran is still trying to make sense of the systemic changes that took place between 1989 and 1991, and in this endeavor is struggling to find its natural place in the increasingly interdependent and globalized international system. Since the late 1980s, Tehran has had to respond to systemic changes around it, and has been compelled to function as much as possible within the new international system, which not only witnessed the end of the Cold War and the demise of the Soviet superpower, but also the emergence of the United States as the undisputed extraregional power in the Middle East.³¹ Concern with the country's territorial integrity has also been heightened with ethnic resurgence becoming the order of the day. Fear that secessionist movements in Iran and on its borders could be used by outside powers to destabilize the country and the regime have struck a chord with Iranian Islamists and nationalists alike.

At least two schools of thought about the new international system have prevailed in Iran.³² One school welcomes the changes that have occurred in the international system since 1989. Proponents of the "positive" school hold that with the demise of the Soviet Union and prospects for more maneuverability due to the end of the Cold War and the strategic competition between Moscow and Washington in regions such as the Middle East, Iran can emerge as a more independent and powerful regional power. In the absence of superpower pressures, Tehran is better placed to create a new regional order in which Iran would be holding the balance of power. In the new situation, power derived from a combination of the Islamic revolution, a sound and pragmatic foreign policy, and the country's hydrocarbon wealth would

enhance Tehran's ability to influence regional developments more fully and directly. Therefore, Tehran should grasp the nettle and adopt a proactive strategy in the Middle East and in the Asian territories of the former Soviet Union. To do this successfully, Tehran needs to create new ties and deepen its existing regional alliances. Proponents of this school also argue that continuing competition between the United States, the European Union, and Japan over the resources of the Persian Gulf, Central Asia, and Azerbaijan will inevitably generate new rivalries at the international level that, with careful planning, Tehran will be able to exploit at the regional level. In other words, they believe that while the old "negative balance" arguments may no longer apply, continuing rivalries at the international level will, in the medium term, allow Iran to apply the same model to the new situation and secure independence of action and enhance Tehran's room for maneuver.

The second school views the end of the Cold War and the demise of the USSR with deep anxiety. This "negative" school worries that Iran can no longer rely on the tried and tested strategy of the negative balance between Washington and Moscow, fearing that effectively Iran has been sidelined. With the superpower competition now effectively over, Iran has become less valuable strategically to the superpowers. It has no value to the West in terms of "containing" the Soviet threat to vital Western interests in the Middle East. Moreover, as there appear to be no external checks to U.S. power in the Middle East, the latter will inevitably increase its pressure on those regional states such as Iran that manage to function outside of its sphere of influence, and that have the potential to undermine its vital interests in the Persian Gulf subregion and the rest of the Middle East (particularly in the Arab-Israeli arena). Even in Central Asia and the Caucasus, the proponents of this school argue, Washington is bent on freezing Iran out of its emerging markets and the strategically important pipeline routes. Elements in this school also maintain that it is wrong to assume that in the "new world order," the hydrocarbon needs of the Western countries would stimulate rivalry among them that Iran could exploit; rather, they believe, the West would likely unite against any threat to its access to oil resources by any unfriendly local power.

So, if we can identify a general foreign-policy strategy followed by Tehran in the post-Cold War era, it is perhaps captured by the notion of "both North and South," which Ramazani popularized in 1992.³³ On the one hand, Iranian strategy needed to develop the techniques to exploit the growing voids between the United States and its European allies and Japan over regional and international economic issues as a way of

blunting the U.S.-imposed sanctions on the country. Tehran's strategy also sought to attract non-U.S. Western capital into the country, in an attempt to draw closer to Washington's economic competitors who also happen to be its global strategic partners. On the other hand, as the post-Cold War order tended to encourage regionalization of the international system, Tehran opted to do two things: to found its own regional groupings and deepen the scope of existing ones (ECO, Caspian Sea Organization), in addition to trying to work with the GCC and the South Asian grouping of states; and, to improve its alliances with states such as Syria in the Middle East and deepen its ties with China, North Korea, Russia, and lately India, Greece, and Georgia outside of the Middle East. Iran, in short, has been developing links with both the North and the South poles of the international system.

The post-1990 changes in Iran's geopolitical environment and systemic changes since the end of the Cold War have reinforced the oil-weighted tendency in Iranian strategic thinking and the primacy of economics in Iranian foreign policymaking. This, however, does not mean that ideology and strategic ambitions have been completely displaced. Iran's leaders have asserted on more than one occasion that the republic's strategic ambitions cannot be realized without the country's economic renewal. Conversely, a weak economic base in the globalized economic system has increasingly been viewed by many Iranian leaders, including Presidents Rafsanjani and Khatami, as a recipe for further peripheralization.

At the same time, largely thanks to Iran's launching of its postwar Five-Year Plans and its continuing economic crisis, in broad terms the country's foreign policy has come to tally with its economic priorities. In this way economic necessities—need for foreign capital and expertise, trade links, importance of expatriate resources, the need to diversify the economy, and so on—have influenced foreign policy. Thus, in recent years a symbiotic relationship seems to have evolved between economic necessity and Iran's foreign policy. The main feature of this symbiotic relationship can be observed in the behavioral change in terms of Tehran's moderation and its realpolitik policy toward its neighbors and the European powers, and the abandonment, at the formal level at least, of the "export" of the Islamic revolution.

However, as the post-Khomeini regime's legitimacy is almost entirely based on the revolution and the system founded by Ayatollah Khomeini, it cannot negate Khomeini's principles without negating itself. So, while it is true to say that Tehran has been redefining its priorities in recent years and has been reconsidering Iran's place in the

world, it would be unrealistic to expect it to abandon the system's *modus operandi*, nor indeed to forgo its Islamic profile only for the sake of economic gains. Furthermore, and as Amirahmadi notes, "As long as Iran and the Islamic movements [in the Muslim world] espouse the same ideals and radical ideology, this congruity of purpose will enhance the visibility of Iran and its strength in international politics."³⁴ One only has to consider Iran's successful involvement with the Islamic Conference Organization since autumn 1997 to realize that Tehran will continue to capitalize on Islam in its international profile.

Conclusion

Iran's foreign-policy course remains the subject of considerable controversy among analysts. It is still argued by some that while nominally the orientation of the republic remains similar to that advocated by the republic's founding fathers, in practice Rafsanjani and Khatami chose to subordinate ideological foreign-policy posturing to the resolution of domestic problems (the first prioritizing economic reconstruction and the latter the strengthening of civil society and the rule of law).³⁵ Still others argue that the steady triumph of the moderates in the power struggle in the 1990s should be viewed with caution because these forces could prove to be more dangerous to the West than their predecessors, especially if they strengthen Iran. With regard to the Rafsanjani administration, for example, Clawson has argued that "Iran's moderates do not differ profoundly from its radicals with respect to foreign policy."³⁶ He also expressed concern about the negative consequences of the "economization" of Iranian foreign policy: "The push for prosperity by the moderates is not necessarily a stabilizing influence. Indeed, Tehran's focus on economic growth rather than Islamic purity as the main activity of the government could become a new source of instability in the region, if Iranians conclude that the shortest and least painful route to prosperity lies in pressuring their neighbors."³⁷

But since the mid-1990s, and certainly since 1997, the opposite trend has been in evidence; wherever possible, Tehran has tried hard to mend its diplomatic and political bridges and fences in order to enhance its economy and create the conditions for prosperity. Indeed, in many ways President Khatami's administration has made a virtue of Iran's economic ills to argue for more drastic political reforms and the opening up of all sectors of the economy to foreign investment.

Furthermore, it is increasingly clear that the changes in some key personnel, power structures, policymaking processes, and the material

needs of the state count for a great deal when analyzing post-Khomeini Iran, even though there is much truth in Chubin's argument that due to the fractured nature of policymaking in Iran, foreign-policy initiatives are at best compromises between competing perspectives and interests.³⁸ This partly explains why Tehran is seemingly unable to project and pursue a clearly defined and consistent foreign policy, even though presidential leadership has tried very hard to institutionalize a break from the past since 1989. More time is needed before we can truly assess the extent of President Khatami's successes in this regard, but the available evidence suggests that he has significantly advanced moderation, dialogue, and détente as three of the principles guiding Iran's foreign policy in the new millennium.³⁹

Notes

1. James Piscatori, "Foreword," in Anoushiravan Ehteshami and Manshour Varasteh, eds., *Iran and the International Community*, London: Routledge, 1991, p. ix.
2. Fred Halliday, "Introduction—Iran and the World: Reassertion and Its Costs," in Anoushiravan Ehteshami and Manshour Varasteh, eds., *Iran and the International Community*, London: Routledge, 1991, p. 3.
3. Richard Cottam, *Nationalism in Iran*, Pittsburgh: University of Pittsburgh Press, 1979.
4. Graham E. Fuller, *The "Center of the Universe": The Geopolitics of Iran*, Boulder, CO: Westview Press, 1991, p. 2.
5. The phrase and its tone are much less flattering when expressed in Persian: "Amrika Hich Ghalati Nemitavanad Bekounad."
6. For discussion of the "negative balance" concept, see Rouhollah K. Ramazani, *Iran's Foreign Policy: A Study of Foreign Policy in Modernizing Nations*, Charlottesville: University of Virginia Press, 1975.
7. For a full analysis, see Anoushiravan Ehteshami, *After Khomeini: The Iranian Second Republic*, London: Routledge, 1995; Jahangir Amuzegar, *Iran's Economy Under the Islamic Republic*, London: I. B. Tauris, 1993; Hooshang Amirahmadi, *Revolution and Economic Transition: The Iranian Experience*, New York: State University of New York Press, 1990.
8. G. Barthel, ed., *Iran: From Monarchy to Republic*, Berlin: Akademie-Verlag, 1983.
9. See Hossein Amirsadeghi, ed., *The Security of the Persian Gulf*, New York: St. Martin's Press, 1981.
10. Shahram Chubin and Sepehr Zabih, *The Foreign Relations of Iran*, Berkeley: University of California Press, 1974, p. 214.
11. Mohammad Reza Pahlavi, *The Shah's Story*, London: Michael Joseph, 1980.
12. Faramarz Rafipoor, *Touse-a va Tazad: Kousheshi dar Jahat-e Tahlil-e Enghelab-e Islami va Masaa'el-e Ejtemaiy-e Iran (Modernization and Conflict: An Attempt Toward the Analysis of the Islamic Revolution and Social Problems of Iran)*, Tehran: Enteshar, 1998.

13. See Ehteshami, *After Khomeini*.
14. See Jahangir Amuzegar, *Iran's Economy Under the Islamic Republic*, London: I. B. Tauris, 1993.
15. See Massoud Karshenas and M. Hashem Pesaran, "Economic Reform and the Reconstruction of the Iranian Economy," *Middle East Journal* 49, no. 1, winter 1995, pp. 89–111; Anoushiravan Ehteshami, *The Politics of Economic Restructuring in Post-Khomeini Iran*, Durham, England: Centre for Middle Eastern and Islamic Studies, 1995.
16. Bahgat Korany, "From Revolution to Domestication: The Foreign Policy of Algeria," in Bahgat Korany and Ali E. Hilal Dessouki, eds., *The Foreign Policies of Arab States: The Challenge of Change*, Boulder, CO: Westview Press, 1991, pp. 103–155.
17. Hojjat Morteji, *Jenahay-e Siyasi Dar Iran-e Emrouz (Political Factions in Today's Iran)*, Tehran: Naqshou Negar, 1999.
18. Shaul Bakhash, "Iran: The Crisis of Legitimacy," in *Middle Eastern Lectures 1*, Tel Aviv: Moshe Dayan Center for Middle Eastern and African Studies, 1995, pp. 99–118.
19. See Ehteshami, *After Khomeini*.
20. Dilip Hiro, *Islamic Fundamentalism*, London: Paladin Grafton Books, 1988.
21. Hussein J. Agha and Ahmed S. Khalidi, *Syria and Iran: Rivalry and Cooperation*, London: Pinter, 1995.
22. Mehdi Mozaffari, "Changes in the Iranian Political System After Ayatollah Khomeini's Death," *Political Studies* XLI, no. 4, pp. 611–617.
23. Indeed, from November 1988 onward Iran made repeated references to the need for finding regional collective security structures for the Gulf area, and raised these ideas in many of its discussions with its GCC neighbors.
24. By the end of the century, however, there was some disagreement over Iran's relations with Pakistan and Turkey. Elements within the military were increasingly worried about Pakistan's support for the Taliban, its close ties with Wahhabi forces in Saudi Arabia, the escalating anti-Shi'a violence in Pakistan, and of course Pakistan's nuclear weapons. Others in the establishment, however, were less convinced that Pakistan posed a direct threat to Iran and its regional interests. They tended to subscribe to the view that Iran needed good relations with both India and Pakistan if it was to realize its ambition of becoming a major west Asian power. On Turkey also there seems to have been consensus since the early 1990s that tensions are not in Iran's interests, but Tehran worries about the Israeli-Turkish alliance and the access to Iran's borders that this alliance offers Israel. Iran's leaders have expressed their fears to Ankara, and have responded by drawing closer to Syria and also broadening their regional contacts by working more closely with Greece, Armenia, and Georgia.
25. BBC, *Summary of World Broadcasts*, 27 August 1990.
26. With regard to Israel, there is almost universal agreement that the Jewish state is an active regional rival bent on checking its political and military power and undoing Iran's achievements. Military leaders and their political masters seem to be convinced that Israel is planning a confrontation with Iran. Thus, as Israeli diplomacy and economic force reach the shores of the Persian Gulf and the Caspian Sea, so it is seen in Tehran as further concrete evidence of Israel's encirclement strategy.

27. Note Oman's hosting of the multilateral talks on water in April 1994, which included Israel, the visit of Prime Minister Rabin to Muscat in December 1994, and the establishment of direct trade links between the Jewish state and Oman in September 1995, and Qatar's increasingly overt contacts with Israeli business and political leaders.

28. The Second Khordad (Dovoum-e Khordad) movement refers to the day of Khatami's May 1997 election victory and the new reforms and reformist forces that it helped bring to the surface.

29. More darkly, there was a view during his first term in office that Khatami, despite his popularity, might fall victim to the Gorbachev syndrome—his reforms failing, he himself being eventually removed from office, and he being replaced by a hard-liner Islamist from the old guard.

30. With regard to the Persian Gulf, clearly Iran's pro-GCC strategy has borne some fruit, as seen by its successful courting of Saudi Arabia since 1996. The two countries' defense ministers have met more than once and Iranian naval vessels have visited the Saudi Red Sea port of Jeddah, arguably the country's most strategic maritime facility. But, Tehran still regards Saudi Arabia as an ideological rival, in Central Asia and elsewhere in western Asia, as well as a close ally of the United States. Riyadh also is conscious of the latent threat Iran poses to its interests in the Persian Gulf and beyond, but is keener at present to develop the friendship with the pragmatic Iranian leadership and carve for itself the role of a mediator in U.S.-Iranian exploratory discussions.

31. Akbar Mahdi, "Islam, the Middle East, and the New World Order," in Hamid Zangeneh, ed., *Islam, Iran and World Stability*, New York: St Martin's Press, 1994, pp. 75–96.

32. For a more detailed discussion of Iranian perspectives on the "new world order," see Anoushiravan Ehteshami and Raymond A. Hinnebusch, *Syria and Iran: Middle Powers in a Penetrated Regional System*, London: Routledge, 1997.

33. Rouhollah K. Ramazani, "Iran's Foreign Policy: Both North and South," *Middle East Journal* 46, no. 3, summer 1992, pp. 393–412.

34. Hooshang Amirahmadi, "Iran and the Persian Gulf: Strategic Issues and Outlook," in Hamid Zangeneh, ed., *Islam, Iran and World Stability*, New York: St Martin's Press, 1994, p. 118.

35. Shaul Bakhash, "Iran Since the Gulf War," in Robert O. Freedman, ed., *The Middle East and the Peace Process: The Impact of the Oslo Accords*, Gainesville: University Press of Florida, 1998, pp. 241–264.

36. Patrick Clawson, *Iran's Challenge to the West: How, When, Why?* Washington, DC: The Washington Institute for Near East Policy, 1993, p. 46.

37. *Ibid.*, p. 37.

38. Shahram Chubin, *Iran's National Security Policy: Capabilities, Intentions and Impact*, Washington, DC: Carnegie Endowment for International Peace, 1994.

39. For an in-depth discussion of President Khatami's foreign-policy agenda during his first term in office, see Ali Ansari, "Iranian Foreign Policy Under Khatami: Reform and Reintegration," in Ali Mohammadi and Anoushiravan Ehteshami, eds., *Iran and Eurasia*, Reading, England: Ithaca Press, 2000, pp. 35–58.